

OCT 2 1953

Special Assistant to the DD/A
ATTN:

Deputy Comptroller

Proposed Agency Regulation PENALTY INDICIA MAIL

1. There is attached a redraft of a proposed Agency regulation to implement the procedures, reports and payments required under Public Laws and Orders of the Postmaster General in connection with Penalty Indicia used on envelopes, wrappers and tags. This draft supersedes the proposed regulation on this subject proposed by the Logistics Office and forwarded to this Office by Mr. John Warner on a routing slip dated 21 September 1953.

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2. This proposed regulation rescinds Agency Regulation Reports Required Covering Penalty Mail.

3. Payment for Penalty Indicia became effective 15 August 1953 under Public Law 286. It is, therefore, requested that the proposed regulation be published at the earliest possible date in order that all of the Agency will be fully informed of the current requirements pertaining to this subject.

4. The proposed regulation has been developed in collaboration with representatives of the Office of General Services and the Logistics Office.



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CONCURRENCES:

Office of General Services

[Handwritten signature]
[Handwritten date] 10/5/53

Logistics Office

TAS/HEJ:gmk (1 October 1953)

Distribution:

- Orig. & 1 - Addressee
- 1 - Deputy Comptroller
- 1 - General Services
- 1 - Logistics

1 - TAS Chrono
Approved For Release 2006/04/13 : CIA-RDP70-00211R000900030015-2
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Rescission: CIA Regulation []

PENALTY INDICIA MAIL

CONTENTS

- 1. GENERAL
- 2. PROCUREMENT
- 3. REQUISITIONS WITHIN AGENCY
- 4. COMPLIANCE CERTIFICATES
- 5. INVENTORY
- 6. ACCOUNTING FOR USE
- 7. PAYMENT

- 1. GENERAL
- a. Purpose

This regulation prescribes procedures to be followed and reports to be prepared in order that this Agency will comply with Act of June 25, 1948 (Title III of Public Law 785), as amended by Public Law 286, approved August 15, 1953, and as supplemented by Order No. 55348 issued by the Postmaster General on August 31, 1953, concerning postal matter bearing penalty indicia mailed by Departments and Agencies of the Government other than the Post Office Department.

- b. Scope

Each separate Office, Division or Staff of this Agency possessing, using, or ordering for future use, whether used or not, any penalty indicia covers or wrappers listed below will comply with all portions of this regulation applicable to it.

- (a) Envelopes (all sizes)
- (b) Labels
- (c) Wrappers

(d) Cards

(e) Tags

(f) Other Indicia Matter

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2. PROCUREMENT

on procurement documents

- a. A copy of each purchase order, or requisition, covering penalty envelopes ordered under contracts of the Postmaster General or articles bearing penalty indicia ordered from or through the Government Printing Office will be retained by the ordering or requisitioning office and all such documents will be forwarded by the fifth day of the month following the end of each quarter to the Chief, Fiscal Division, Office of the Comptroller (CIA) for submission to the Post Office Department. This copy will be in addition to any other copies of such documents which are required for obligation and payment of supplies.
- b. One copy of every such purchase order or requisition for penalty mail will be forwarded currently as executed to Document Control Unit, Stock Control Section, Supply Division, Logistics Office, (CIA).
- c. A quarterly statement will be submitted to the Chief, Fiscal Division, Office of the Comptroller, covering articles bearing the penalty indicia that are prepared or procured otherwise than under contracts made by the Postmaster General or from or through the Government Printing Office. This quarterly statement will identify the quantity of each type of penalty indicia so prepared or procured in accordance with the requirements of the Post Office Department Form B/A-48. The Chief, Fiscal Division, Office of the Comptroller, will render a quarterly report

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- on this type of procurement to the Bureau of the Controller, Division of Accounting, Post Office Department. Such report will be submitted on Post Office Department Form B/A-48 showing number of pieces as prepared or procured.
- d. The Chief, Fiscal Division, Office of the Comptroller (CIA) will be notified currently of all cancellations or amendments of purchase orders or requisitions for envelopes or other articles bearing the penalty indicia for transmittal to the Post Office Department.
 - e. No purchase order or requisition prepared for procurement of penalty indicia in the Procurement Division will contain items other than penalty indicia.
 - f. All penalty envelopes procured under contracts made by the Postmaster General should bear the identifying symbol "(PMI)^C", either in the upper right corner below the penalty clause or below the words "Official Business", in connection with the return card in the upper left corner of the address side. Similarly, all matter bearing penalty indicia procured through the Government Printing Office should bear the identifying symbol "(GPO)".
3. REQUISITIONS WITHIN AGENCY
- a. All requisitions prepared by Offices, Divisions or Staffs for penalty mail indicia will be submitted to Stock Control Section, Supply Division, Logistics Office, and will be prepared for the approving signature of the Chief, Supply Division.
 - b. Such requisitions will list only penalty mail items.
 - c. Chief, Supply Division will cause to be kept in the Stock Control Section a file of edited, action copies of requisitions for penalty

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indicia. Such file will consist of two copies of every requisition received for penalty mail.

4. COMPLIANCE CERTIFICATES

a. It is incumbent with the head of each Office, Division and Staff that no use be made of penalty mail covers or wrappers in violation of the Penalty Mail Act of 1948. In order that the Agency may have an adequate basis for signing the quarterly certificate of compliance required by P. L. 785, 80th Congress, to the Postmaster General, the certificate below, accomplished and signed by the head of each Office, Division, or Staff, will be forwarded to the Chief, Fiscal Division, Office of the Comptroller (CIA) by the fifth day of the month following the end of each quarter.

(1) I hereby certify that during the quarter ended _____ 19___, no book, report, periodical, bulletin, pamphlet, list or other article or document was transmitted through the mail free of postage in violation of section 306 of the Penalty Mail Act of 1948, approved 25 June 1948 (Public Law 785, 80th Congress) by this _____ (Office, Division or Staff), including all such mailings by its branches or field offices."

Signature _____

Name typed _____

Title _____

(2) After receipt of the above-mentioned certification, the Comptroller will prepare and submit quarterly the required quarterly certificate of compliance to the Assistant Postmaster General, Bureau of Post Office Operations.

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5. INVENTORY

- a. A definitive inventory, including an item count on all indicia matter in desks, will be taken within each Office, Division and Staff annually as of close of business 30 June. A report of the inventory of penalty indicia will be prepared on forms furnished by Supply Division, Logistics Office; will be signed by the head of Office, Division or Staff; and will be forwarded to Chief, Supply Division.
- b. Chief, Supply Division will require that a definitive inventory be taken of all warehouse stocks of penalty indicia, including supplies of such matter in the separate Building Supply Rooms. Such inventory will be accomplished annually as of close of business 30 June.
- c. Quantities of penalty indicia determined to be on hand in warehouse stocks will be incorporated with the accumulated totals of like items as reported annually by the separate Offices, Divisions and Staffs, and the aggregate totals will be reported to the Chief, Fiscal Division, Office of the Comptroller (CIA) not later than each 20 July. Concurrently with the consolidated inventory report a statement will be submitted showing the number of pieces by types (envelopes, labels, etc.) on which penalty indicia are obliterated or destroyed because of obsolescence, or for other reasons for transmittal to the Post Office Department. This statement will contain information as to the source of the matter, the approximate date of its acquisition, the reason for its destruction or alteration, and such other data as may be considered pertinent.
- d. When ~~envelopes~~ ~~labels~~ or other articles bearing the penalty indicia are transferred to another government agency, a receipt will be obtained

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from the receiving agency showing the quantities of the various types of penalty indicia material transferred. These receipts will be submitted currently as executed to the Chief, Fiscal Division, Office of the Comptroller (CIA) for transmission to the Post Office Department.

6. ACCOUNTING FOR USE

a. The Mail Control Section, General Services Office, will maintain for headquarters offices of the Agency a daily record of:

(1) First class mail dispatched under the penalty privilege.

(a) Envelopes or pieces of mail not in excess of ~~size No. 9~~

4 1/2 X 10 3/8 inches

~~(4 3/8 X 10 1/8 inches)~~

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PER PHONE CONVERSATION
W/ OFF OF COMPTROLLER
& POST OFFICE LETTER
SEPT 28, 53

(b) Envelopes or pieces of mail of a size in excess of

4 1/2 X 10 3/8 inches

~~size No. 9.~~

(2) Registered mail for which no fee is paid.

(3) Mailings made under a class other than first class segregated in accordance with applicable rates of postage as required by postal laws and regulations.

(4) The number of envelopes or pieces bearing penalty indicia for which postage is applied at time of mailing.

b. Field Offices not utilizing the services of the Mail Control Section, but who use penalty indicia mail will also comply with 6. a., above. At the close of each quarter, this information will be forwarded to their respective headquarters office. The headquarters office will consolidate these reports and submit this information to the Chief, General Services Office before the 15th day of the following month.

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c. At the close of each quarter, the Chief, General Services Office, will submit a report in duplicate to the Chief, Fiscal Division, Office of the Comptroller (CIA), indicating:

- (1) The total number of pieces of mail bearing the penalty indicia processed through the official channels of the Agency. This figure will be broken down in accordance with 6. a.
- (2) The value of postage to be transferred to the credit of the Post Office Department. The postage due for each of the categories listed in 6. a. above will also be indicated.

d. In determining the amount of postage payable to the Post Office Department the following formula will be employed for first class mail:

- (1) Envelopes or pieces not in excess of ~~size No. 9 (4 3/8 x 10 1/8 inches)~~ ^{4 1/2 x 10 3/8 inches} will be computed at the rate applicable to a one-ounce nonlocal first class letter (3 cents under existing rates). B 9 Oct 53
- (2) Envelopes and pieces of a size in excess of ~~size No. 9~~ ^{4 1/2 x 10 3/8 inches} will be computed at the rate of a three-ounce nonlocal first class letter (9 cents under existing rates). B 9 Oct 53
- (3) The fee on each article transmitted by registered mail will be computed at the minimum rate applicable to an article of no value (30 cents under existing rates).

For other than first class mail the applicable rates for the class involved in accordance with Postal Laws and Regulations will be applied.

7. PAYMENT

a. Quarterly reports will be submitted by the Comptroller (CIA) to the Bureau of the Comptroller, Division of Accounting, Post Office Department, showing the quantity of penalty matter mailed during the preceding

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quarter together with the amount of postage payable thereon. These reports will be prepared by the Fiscal Division from data provided to it from other Offices and Divisions of the Agency. The quarterly reports for the first three quarters (30 September, 31 December, and 31 March) will be submitted within 30 days following the close of the quarter. Post Office Department Form No. B/A-47 (revised) will be used for these quarterly reports. Quarterly remittances for postage used under indicia cover will accompany the quarterly reports mentioned above, and remittances of postage for the first three quarters shall be in whole dollar, rounded amounts.

- b. Within 60 days following the close of each fiscal year a report will be submitted by the Comptroller (CIA) to the Bureau of the Controller, Division of Accounting, Post Office Department, showing the quantity of matter bearing the penalty indicia on hand at the close of the year and the quantity mailed during the year. Post Office Department Form No. B/A-46 (revised) will be used for this purpose. A report on Post Office Department Form No. B/A-47 (revised) covering the fourth quarter will also be prepared and transmitted with the annual report on Form No. B/A-46 (revised). Concurrently with each such report the amount of postage due for penalty matter mailed during the year shall be forwarded or delivered to the Bureau of the Controller. All interim (quarterly) payments previously made for the fiscal year shall be deducted from the total amount determined to be due.
- c. Payments for postage used under cover of indicia will be made by check made payable to ⁴¹¹⁰¹⁰ Treasurer of the United States - Service of the Post Office Department, Symbol 47001. Charges for such payments will be

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made to the allotment account for the Mail Control Section, General
Services Office, under object class 04.

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b. [Redacted] using penalty indicia mail will also comply with 6.a. above. At the close of each quarter, this information will be forwarded to their respective Headquarters Office. The Headquarters Office will consolidate these reports and submit this information to the Chief, General Services Office before the 15th day of the following month.

Approved by [Redacted] & STAT
[Redacted] 10/8/53 STAT

[Redacted]

ILLEGIB

COMPTROLLER changed the first sentence to read:

STAT b. [Redacted] not utilizing the services of the Mail Control Section but who use penalty indicia mail will also comply with 6.a. above.

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from the receiving agency showing the quantities of the various types of penalty indicia material transferred. These receipts will be submitted currently as executed to the Chief, Fiscal Division, Office of the Comptroller (CIA) for transmission to the Post Office Department.

6. ACCOUNTING FOR USE

a. The Mail Control Section, General Services Office, will maintain a daily record of:

FOR HEADQUARTERS
OFFICES OF THE
AGENCY

- (1) First class mail dispatched under the penalty privilege.
 - (a) Envelopes or pieces of mail not in excess of size No. 9 (4 3/8 x 10 1/8 inches).
 - (b) Envelopes or pieces of mail of a size in excess of size No. 9.
- (2) Registered mail for which no fee is paid.
- (3) Mailings made under a class other than first class segregated in accordance with applicable rates of postage as required by postal laws and regulations.
- (4) The number of envelopes or pieces bearing penalty indicia for which postage is applied at time of mailing.

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b. At the close of each quarter, the Chief, General Services Office, will submit a report in duplicate to the Chief, Fiscal Division, Office of the Comptroller (CIA), indicating:

- (1) The total number of pieces of mail bearing the penalty indicia processed through the official channels of the Agency. This figure will be broken down in accordance with 6. a. (1), (2), (3) and (4) above.

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(2) The value of postage to be transferred to the credit of the Post Office Department. The postage due for each of the categories listed in 6. a. ~~(1), (2) and (3)~~ above will also be indicated.

d
2.

In determining the amount of postage payable to the Post Office Department the following formulas will be employed for first class mail:

- (1) Envelopes or pieces not in excess of size No. 9 ($4 \frac{3}{8} \times 10 \frac{1}{8}$ inches) will be computed at the rate applicable to a one-ounce nonlocal first class letter (3 cents under existing rates).
- (2) Envelopes and pieces of a size in excess of size No. 9 will be computed at the rate of a three-ounce nonlocal first class letter (9 cents under existing rates).
- (3) The fee on each article transmitted by registered mail will be computed at the minimum rate applicable to an article of no value (30 cents under existing rates).

For other than first class mail the applicable rates for the class involved in accordance with Postal Laws and Regulations will be applied.

7. PAYMENT

- a. Quarterly reports will be submitted by the Comptroller (CIA) to the Bureau of the Controller, Division of Accounting, Post Office Department, showing the quantity of penalty matter mailed during the preceding quarter together with the amount of postage payable thereon. These reports will be prepared by the Fiscal Division from data provided to it from other Offices and Divisions of the Agency. The quarterly reports

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For the **first** three quarters (30 September, 31 December, and 31 March) will be submitted within 30 days following the close of the quarter. Post Office Department Form No. B/A-47 (revised) will be used for these quarterly reports. Quarterly remittances for postage used under indicia cover will accompany the quarterly reports mentioned above, and remittances of postage for the first three quarters shall be in whole dollar, rounded amounts.

- b. Within 60 days following the close of each fiscal year a report will be submitted by the Comptroller (CIA) to the Bureau of the Controller, Division of Accounting, Post Office Department, showing the quantity of matter bearing the penalty indicia on hand at the close of the year and the quantity mailed during the year. Post Office Department Form No. B/A-46 (revised) will be used for this purpose. A report on Post Office Department Form No. B/A-47 (revised) covering the fourth quarter will also be prepared and transmitted with the annual report on Form No. B/A-46 (revised). Concurrently with each such report the amount of postage due for penalty matter mailed during the year shall be forwarded or delivered to the Bureau of the Controller. All interim (quarterly) payments previously made for the fiscal year shall be deducted from the total amount determined to be due.
- c. Payments for postage used under cover of indicia will be made by check made payable to "Treasurer of the United States - Service of the Post Office Department, Symbol 47001." Charges for such payments will be made to the allotment account for the Mail Control Section, ~~Office of~~ General Services, under object class 04.

TRANSMITTAL SLIP

8 October 1953
(DATE)

TO:

General Services Office

BUILDING

ROOM NO.

REMARKS:

Please find attached
Revised pages of proposed Agency
Regulation PENALTY INDICIA
MAIL.

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FROM:

TAS

H.E.J.

BUILDING

ROOM NO.

EXTENSION

FORM NO. 36-8
SEP 1946

16-64575-1 U. S. GOVERNMENT PRINTING OFFICE

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